

Other Defense Activities Office of Legacy Management

Appropriation Summary by Program

(dollars in thousands)

	FY 2003 Comparable Appropriation	FY 2004 Original Appropriation	FY 2004 Adjustments	FY 2004 Comparable Appropriation	FY 2005 Request
Other Defense Activities					
Legacy Management.....	43,333	38,163	-202	37,961	34,895
Subtotal, Other Defense Activities.....	43,333	38,163	-202	37,961	34,895
Less Use of Prior Year Balances.....	-2,369	-1500	0	-1,500	0
Total, Other Defense Activities	40,964	36,663	-202	36,461	34,895
Energy Supply					
Legacy Management.....	21,093	29,705	-158	29,547	31,130
Subtotal, Energy Supply.....	21,093	29,705	-158	29,547	31,130
Less Use of Prior Year Balances.....	0	0	0	0	0
Total, Energy Supply.....	21,093	29,705	-158	29,547	31,130
Total, Other Defense Activities and Energy Supply.....	62,057	66,368	-360	66,008	66,025

Preface

During FY 2005, the Department continues its efforts to reduce risk to human health and the environment at its contaminated sites and mitigate the impacts to workers and communities caused by changing Departmental missions. By conducting the long-term surveillance and maintenance of remediated sites and ensuring pension and benefit continuity, the Office of Legacy Management allows Environmental Management to concentrate on further risk reduction and site closure.

Within the Energy and Water, Other Defense Activities appropriation, the Office of Legacy Management (LM) has two subprograms: Legacy Management and Worker and Community Transition.

This Overview will describe Strategic Content, Mission, Benefits, Strategic Goals, and Funding by General Goals. These items together put the appropriation in perspective. The Annual Performance Results and Targets, Means and Strategies, and Validation and Verification sections address how the goals will be achieved and how performance will be measured. Finally, this Overview will address Significant Program Shifts.

Strategic Context

Following publication of the Administration's National Energy Policy, the Department developed a Strategic Plan that defines its mission, four strategic goals for accomplishing that mission, and seven general goals to support the strategic goals. Each appropriation has developed quantifiable goals to support the general goals. Thus, the "goal cascade" is the following:

Department Mission – Strategic Goal (25 yrs) – General Goal (10-15 yrs) – Program Goal (GPRA Unit) (10-15 yrs)

To provide a concrete link between budget, performance, and reporting, the Department developed a "GPRA Unit" concept. Within DOE, a GPRA Unit defines a major activity or group of activities that support the core mission and aligns resources with specific goals. Each GPRA Unit has completed or will complete a Program Assessment Rating Tool (PART). A unique program goal was developed for each GPRA Unit. A numbering scheme has been established for tracking performance and reporting.

The goal cascade accomplishes two things. First, it ties major activities for each program to successive goals and, ultimately, to DOE's mission. This helps ensure the Department focuses its resources on fulfilling its mission. Second, the cascade allows DOE to track progress against quantifiable goals and to tie resources to each goal at any level in the cascade. Thus, the cascade facilitates the integration of budget and performance information in support of the GRPA and the President's Management Agenda (PMA).

Mission

The Office of Legacy Management was created in FY 2004 from existing programs within the Department of Energy. The mission of the Office of Legacy Management is to (1) conduct long-term surveillance and maintenance (also referred to as long-term stewardship) at DOE facilities where remediation measures have been substantially completed; (2) oversee the management of pensions and benefits for former contractor employees; (3) facilitate the transfer of surplus personal

and real property that has been remediated and is no longer needed for the Department's missions; (4) administer the Environmental Justice program; (5) provide separation benefits for contractor workers affected by DOE downsizing; and, (6) perform storage, retrieval, and management of all records associated with legacy management.

Benefits

The Office of Legacy Management programs provide benefits to the Department during mission changes or cleanup of sites in preparation for closure, during closure itself, and following mission change or closure. For sites where cleanup is completed, Legacy Management programs ensure that the remediation measures implemented during closure are protecting human health and the environment and that labor commitments for the contractor work force are being satisfied. By managing the real and personal property assets that remain after mission change, cleanup, and closure, Legacy Management helps the Department reduce the magnitude of its physical resource management and the costs associated with such management.

Strategic Goals

The Department's Strategic Plan identifies four strategic goals (one each for defense, energy, science, and environmental aspects of the mission plus seven general goals that tie to the strategic goals. The Legacy Management appropriation (Energy and Water/Other Defense Activities) support the following goal:

Environment Strategic Goal: To protect the environment by providing a responsible resolution to the environmental legacy of the Cold War and by providing for the permanent disposal of high-level radioactive waste.

General Goal 6, Environmental Management: Accelerate cleanup of nuclear weapons manufacturing and testing sites, completing cleanup of 108 contaminated sites by 2025.

The programs funded within the Energy and Water/Other Defense Activities appropriation have one Program Goal that contributes to the General Goal in the "goal cascade". This goal is;

Program Goal 06.26.01.00: Legacy Management – Ensure that the Department's long-term agreements and legal commitments to environmental stewardship and to former contractor employees are satisfied.

Contribution to General Goal 6

Legacy Management programs contribute to this goal by managing the long-term surveillance and maintenance at sites where remediation has been essentially completed, allowing the Environmental Management program to concentrate its efforts on continuing to accelerate cleanup and site closure resulting in reduced risks to human health and the environment and reduced landlord costs.

Other Defense Activities/

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FY 2005 Congressional Budget

The Legacy Management program is also now the manager of some existing pension and benefit programs to meet the Department's contractual commitments.

Funding by General Goal

	(dollars in thousands)				
	FY 2003	FY 2004	FY 2005	\$ Change	% Change
General Goal 6, Environmental Management.....	43,333	37,961	34,895	-3,066	-8.1%
Program Goal 06.26.01.00, Legacy Management.....	43,333	37,961	34,895	-3,066	-8.1%
Subtotal, General Goal 6.....	43,333	37,961	34,895	-3,066	-8.1%
Use of Prior Year Balances.....	-2,369	-1,500	0		
Total, General Goal 6 (Other Defense Activities/Legacy Management).....	40,964	36,461	34,895	-1,566	-4.3%

Annual Performance Results and Targets

FY 2000 Results	FY 2001 Results	FY 2002 Results	FY 2003 Results	FY 2004 Target	FY 2005 Proposed Target
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Legacy Management Program/Legacy Management Subprogram

No comparable measures
in FY 2000

No comparable measures
in FY 2001

No comparable measures
in FY 2002

Ensure continued
effectiveness of cleanup
remedies through
surveillance and
maintenance activities at 2
sites in accordance with
legal agreements

Ensure continued
effectiveness of cleanup
remedies through
surveillance and
maintenance activities at 2
sites in accordance with
legal agreements

Ensure continued
effectiveness of cleanup
remedies through
surveillance and
maintenance activities at 9
sites in accordance with
legal agreements

Means and Strategies

The LM Program will use various means and strategies to achieve its program goal. However, various external factors may impact the ability to achieve the goal. The program also performs collaborative activities to help meet its goal.

Success of the surveillance and maintenance program will depend upon the effectiveness of the remediation system or structure installed by the Environmental Management program. A failure of a functioning remediation system or structure to contain remediation would cause the return of the site to Environmental Management for future remediation.

Success of the asset transfer program will depend upon negotiations with the recipient and other stakeholders with an interest in the future management of the respective assets, especially land. Federal and state regulators would also be involved in the negotiations.

LM's intention is to have no reportable risks at surveillance and maintenance sites and transfer unneeded land resources to other ownership. The long-term surveillance and maintenance goal will be achieved by performing surveillance and maintenance activities as specified in legal agreements. The real property goal will be achieved by negotiating with public and/or private entities for the sale, transfer or lease of the property to them.

Validation and Verification

The Department is operating a performance tracking system to measure performance. The Office of Management, Budget, and Evaluation has developed action plans for the primary functions. Quarterly updates are developed using the Joule system.

For items not tracked by the Joule system, the Office of Legacy Management will obtain quarterly updates to judge progress of the programs.

The Legacy Management program has not performed a Program Assessment Rating Tool (PART) evaluation to date but such a review and the measures resulting from it would also provide verification.

Significant Program Shifts

- Transfer of responsibilities from Office of Environmental Management
 - Records Management for Formerly Utilized Sites Remedial Action Program
 - Specific Economic and Environmental Initiatives including Environmental Justice
 - Cost Liability and Recovery Review

Other Defense Activities Office of Legacy Management Funding by Site by Program

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	\$ Change	% Change
Idaho Operations Office					
Legacy Management.....	500	0	0	0	0.0%
Lexington Office					
Legacy Management.....	5,648	0	0	0	0.0%
Los Alamos Site Office					
Legacy Management.....	880	0	0	0	0.0%
Nevada Site Office					
Legacy Management.....	300	0	0	0	0.0%
NNSA Service Center					
Carlsbad Area Office					
Legacy Management.....	380	0	0	0	0.0%
Pinellas Plant					
Legacy Management.....	7,993	7,933	6,550	-1,383	-17.4%
Oak Ridge Operations Office					
Legacy Management.....	80	0	0	0	0.0%
Ohio Field Office					
Mound Plant					
Legacy Management.....	2,222	0	0	0	0.0%
Richland Operations Office					
Legacy Management.....	655	0	0	0	0.0%
Rocky Flats Field Office					
Legacy Management.....	1,800	0	0	0	0.0%
Sandia Site Office					
Legacy Management.....	433	0	0	0	0.0%
Savannah River Operations Office					
Legacy Management.....	550	0	0	0	0.0%
Washington Headquarters					
Legacy Management.....	21892	30,028	28,345	-1,683	-5.6%
Subtotal, Other Defense Activities.....	43,333	37,961	34,895	-3,066	-8.1%
Less use of prior-year balances.....	-2,369	-1,500	0		
Total, Other Defense Activities.....	40,964	36,461	34,895	-1,566	-4.3%

**Other Defense Activities/
Legacy Management/
Funding by Site**

FY 2005 Congressional Budget

Site Description

Idaho Operation Office

Introduction

The Idaho facilities have experienced work force actions that reduced the work force with secondary impacts on the economy of the adjacent community. The community reuse organization was established as a focal point to stabilize the local economy.

Legacy Management

Assistance to the community reuse organization helps that group stabilize the economy by creating or retaining jobs.

Lexington Office

Introduction

The Lexington Office is the DOE office with management responsibility for the two gaseous diffusion plants at Paducah, KY, and Portsmouth, OH, which passed to private ownership in 1993. The gaseous diffusion plants have experienced work force actions that reduced the work force at both plants with secondary impacts on the economy of the adjacent communities. The community reuse organizations were established as a focal point to stabilize the local economies.

Legacy Management

Under agreements with the United States Enrichment Corporation (USEC), the Department still retains responsibility for separation benefits for part of the USEC work force. Funding for the community reuse organizations has been used to stabilize the economies in the communities adjacent to the plants by creating or retaining jobs.

Los Alamos Site Office

Introduction

The Los Alamos Site has experienced work force actions that reduced the work force with secondary impacts on the economy of the adjacent community. The community reuse organization was established as a focal point to stabilize the local economy.

Legacy Management

Assistance to the community reuse organization helps that group stabilize the economy by creating or retaining jobs.

Nevada Site Office

Introduction

The Nevada Test Site has experienced work force actions that reduced the work force with secondary impacts on the economy of the adjacent community. The community reuse organization was established as a focal point to stabilize the local economy.

Legacy Management

Assistance to the community reuse organization helps that group stabilize the economy by creating or retaining jobs.

NNSA Service Center Carlsbad Area Office

Introduction

The Carlsbad Area Office has experienced work force actions that reduced the work force with secondary impacts on the economy of the adjacent community. The community reuse organization was established as a focal point to stabilize the local economy.

Legacy Management

Assistance to the community reuse organization helps that group stabilize the economy by creating or retaining jobs.

Pinellas Plant

Introduction

The Pinellas Site is a former weapons facility located in Pinellas, FL, which is in the Tampa-St. Petersburg metropolitan area. The facility has been completely closed and the property sold to the local community reuse organization.

Legacy Management

The Legacy Management program provides pension and benefits payments for the former contractor work force as well as assists the community reuse organization as a focal point to stabilize the local economy.

Oak Ridge Operations Office

Introduction

The Oak Ridge facility has experienced work force actions that reduced the work force.

Legacy Management

Assistance for separation benefits for the contractor work force affected by downsizing mitigates the impact of the separation.

Ohio Field Office

Mound Plant

Introduction

The Mound Plant is one of the facilities targeted by the Office of Environmental Management for closure in FY 2006. This closure will completely eliminate the Department's funding of the contractor work force with secondary impacts on the economy of the adjacent community. The community reuse organization was established as a focal point to stabilize the local economy.

Legacy Management

Assistance for separation benefits for the contractor work force affected by downsizing mitigates the impact of the separation. Assistance to the community reuse organization helps that group stabilize the economy by creating or retaining jobs.

Richland Operation Office

Introduction

The Hanford Site has experienced work force actions that reduced the work force with secondary impacts on the economy of the adjacent community. The community reuse organization was established as a focal point to stabilize the local economy.

**Other Defense Activities/
Legacy Management/
Funding by Site**

FY 2005 Congressional Budget

Legacy Management

Assistance for separation benefits for the contractor work force affected by downsizing mitigates the impact of the separation. Assistance to the community reuse organization helps that group stabilize the economy by creating or retaining jobs.

Rocky Flats Field Office

Introduction

The Rocky Flats facility is one of the facilities targeted by the Office of Environmental Management for closure in FY 2006. This closure will completely eliminate the Department's funding of the contractor work force with secondary impacts on the economy of the adjacent community. The community reuse organization was established as a focal point to stabilize the local economy.

Legacy Management

Assistance for separation benefits for the contractor work force affected by downsizing mitigates the impact of the separation. Assistance to the community reuse organization helps that group stabilize the economy by creating or retaining jobs.

Sandia Site Office

Introduction

The Sandia Site has experienced work force actions that reduced the work force with secondary impacts on the economy of the adjacent community. The community reuse organization was established as a focal point to stabilize the local economy.

Legacy Management

Assistance to the community reuse organization helps that group stabilize the economy by creating or retaining jobs.

Savannah River Operation Office

Introduction

The Savannah River Site has experienced work force actions that reduced the work force with secondary impacts on the economy of the adjacent community. The community reuse organization was established as a focal point to stabilize the local economy.

Legacy Management

Assistance for separation benefits for the contractor work force affected by downsizing mitigates the impact of the separation. Assistance to the community reuse organization helps that group stabilize the economy by creating or retaining jobs.

Washington Headquarters

Introduction

The Office of Legacy Management has been organized as a Headquarters office with personnel located in the Washington, DC area, Grand Junction, CO, Morgantown, WV, and Pittsburgh, PA.

Legacy Management

The legacy management functions of the Office include administration of the long-term surveillance and maintenance activities, including site inspections, oversight for benefit continuity for contractor retirees, records management, asset disposition and assistance to the contractor work force and communities to mitigate the impacts of DOE downsizing.

Legacy Management

Funding Profile by Subprogram

(dollars by thousands)

	FY 2003 Comparable Appropriation	FY 2004 Original Appropriation	FY 2004 Adjustments	FY 2004 Comparable Appropriation	FY 2005 Request
Legacy Management Program					
Legacy Management.....	12,552	14,364	-78	14,286	19,194
Worker and Community Transition.....	19,061	10,721	-55	10,666	2,500
Program Direction.....	11,720	13,078	-69	13,009	13,201
Subtotal, Legacy Management Program.....	43,333	38,163	-202	37,961	34,895
Less Use of Prior Year Balances..	-2369	-1,500	0	-1,500	0
Total, Legacy Management Program.	40,964	36,663	-202	36,461	34,895

Public Law Authorizations:

Public Law 95-91, "Department of Energy Organization Act (1977)
Public Law 95-604, Uranium Mill Tailings Radiation Control Act (1978)
Public Law 100-616, Uranium Mill Tailings Remedial Action Amendments Act of 1988
Public Law 103-62, Government Performance and Results Act of 1993
Public Law 106-377, Energy and Water Development Appropriations Act, 2001
Public Law 106-398, National Defense Authorization Act for Fiscal Year 2001
Public Law 107-66, Energy and Water Development Appropriations Act, 2002

Mission

The mission of the Office of Legacy Management is to (1) conduct long-term surveillance and maintenance (also referred to as long-term stewardship) at DOE facilities where remediation measures have been substantially completed; (2) oversee the management of pensions and benefits for former contractor employees; (3) perform storage, retrieval, and management of all records necessary for legacy management activities, (4) administer the Environmental Justice program, (5) provide separation benefits for contractor workers affected by DOE downsizing, and, (6) dispose of assets no longer needed for the Department's missions.

Benefits

The Legacy Management program contains important elements to assist the Office of Environmental Management achieve the strategic goal of providing a resolution to the environmental legacy of the Cold War. The assistance for contractor worker separation benefits contributes to the orderly closure of the sites. As the Office of Environmental Management completes its cleanup activities, there are still certain aspects of the Department's mission, such

as, long-term pump and treat operations, surveillance and maintenance, records management, and long-term retirement pension and benefits for contractor personnel that require long-term commitments to manage resources and activities beyond the completion of active remediation. The activities of the Legacy Management program ensure that these Departmental responsibilities are addressed and the Office of Environmental Management is able to concentrate its efforts on cleanup and risk reduction.

Legacy Management Funding Schedule by Activity

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	\$ Change	% Change
Legacy Management					
Long-Term					
Surveillance and					
Maintenance.....	6,249	7,186	10,574	3,388	47.1%
Pension and Benefit					
Continuity.....	5,733	6,533	8,050	1,517	23.2%
Environmental Justice..	570	567	570	3	0.5%
Total, Legacy					
Management.....	12,552	14,286	19,194	4,908	34.4%

Mission

The mission of the Legacy Management program is to conduct long-term surveillance and maintenance (also referred to as long-term stewardship) at DOE facilities where remediation measures have been substantially completed, oversee the management of pensions and benefits for former contractor employees from the USEC facilities, and perform storage, retrieval, and management of all records necessary for legacy management activities, and administer the environmental justice program.

Benefits

The Legacy Management program contains important elements to assist the Office of Environmental Management achieve the strategic goal of providing a resolution to the environmental legacy of the Cold War. By funding the long-term activities in the Legacy Management program, the Office of Environmental Management is able to concentrate its resources on risk reduction and site closure.

Detailed Justification

(dollars in thousands)

	FY 2003	FY 2004	FY 2005
Long-Term Surveillance and Maintenance.....	6,249	7,186	10,574
<p>The funding requested for FY 2005 will allow the Department to conduct the necessary activities including monitoring and performing long-term treatment on sites within the programs jurisdiction to ensure that standards contained in legal and regulatory agreements are achieved. Functions include soil, water, and air monitoring, long-term treatment of contaminants, maintenance of contaminant treatment structures, and maintaining security for the sites and other resources associated with the sites.</p>			
Pension and Benefit Continuity.....	5,733	6,533	8,050
▪ Pinellas.....	5,733	6,533	6,550
<p>This project provides payments to former contractor employees pursuant to employee reduction-in-force requirements and administration of DOE liabilities associated with contractor employee retirement benefits. These payments will continue for approximately 50 years. The level of funding was estimated from recent cost trends. If funding were not provided, the Department would not be honoring its surveillance and maintenance commitments to these employees.</p> <p>This funding does not include benefits to former employees covered by the Uranium Enrichment Decontamination and Decommissioning Fund.</p>			
▪ Planned 2006 Closure Sites.....	0	0	1,500
<p>During FY 2005, the Office of Legacy Management will be preparing to oversee the administration of pension and retirement benefits for the former contractor employees at Fernald, Mound, and Rocky Flats, which are scheduled to close in 2006. The administration of these benefits is needed to ensure the former contractor employees receive their retirement pensions and benefits.</p>			
Environmental Justice.....	570	567	570
<p>This program will assist Historically Black Colleges and Universities and Hispanic Serving Institutions to produce top level graduates in environmental disciplines and to conduct environmental research.</p>			
Total, Legacy Management.....	12,552	14,286	19,194

Explanation of Funding Changes

	FY 2005 vs. FY 2004 (\$000)
Long-Term Surveillance and Maintenance	
▪ Long-term surveillance and maintenance activities will start for sites added during FY 2004.....	+3,388
Pension and Benefit Continuity	
▪ Costs for medical benefits have increased significantly more than the normal rate of inflation. Preparation for pension and benefit continuity for contractor employees at the post closure site has begun.....	+1,517
Environmental Justice	
▪ No significant change.....	3
Total Funding Change, Legacy Management.....	+4,908

Worker and Community Transition

Funding Schedule by Activity

(dollars in thousands)					
	FY 2003	FY 2004	FY 2003	\$ Change	% Change
Worker and Community Transition					
Worker Transition.....	9,322	9,266	2,500	-6,766	-73.0%
Community Transition..	9,739	1,400	0	-1,400	-100.0%
Total, Worker and Community Transition.....	19,061	10,666	2,500	-8,166	-76.6%

Public Law Authorizations:

Public Law 102-484, "National Defense Authorization Act for Fiscal Year 1993, Section 3161

Mission

The mission of the Worker and Community Transition program is to mitigate the impacts on workers and their communities caused by changing Department of Energy missions, consistent with Section 3161 of the Defense Authorization Act of 1993. This is accomplished by work force planning, separation assistance and community transition assistance.

Benefits

Worker and community transition activities are important tools for changing the Department of Energy's work force, especially in the work force reductions that will accompany the closure of Fernald, Mound, and Rocky Flats. By providing separation assistance, the program helps the Department in retaining employees needed to achieve cleanup and closure milestones.

Detailed Justification

(dollars in thousands)

	FY 2003	FY 2004	FY 2005
Worker Transition.....	9,322	9,266	2,500

The funding requested provides for approximately 1,250 workers at an average cost for separation assistance, including outplacement support, of about \$2000 per worker.

Community Transition.....	9,739	1,400	0
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There is no planned assistance to the community reuse organization for the Pinellas facility during FY 2005.

Total, Worker and Community Transition...	19,061	10,666	2,500
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Explanation of Funding Changes

FY 2005 vs. FY 2004 (\$000)

Worker Transition

- The need for worker transition assistance has considerably diminished in recent years from historic levels..... -6,766

Community Transition

- There is no estimated need for community transition assistance during FY 2005..... -1,400

Total Funding Change, Worker and Community Transition.....	-8,166
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Program Direction

Funding Profile by Category

(dollars in thousands)

FY 2003 Comparable Appropriation	FY 2004 Comparable Appropriation	FY 2005 Request	\$ Change	% Change
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Headquarters

Salaries and Benefits.....	8,843	9,424	9,557	133	1.4%
Travel.....	475	643	642	-1	-0.2%
Support Services.....	1,222	1,736	1,772	36	2.1%
Other Related Expenses	1,180	1,206	1,230	24	2.0%
Total, Headquarters.....	11,720	13,009	13,201	192	1.5%
Full Time Equivalents.....	85	85	85	0	0%

Mission

During FY 2004, the Office of Legacy Management was created from long-term functions of the Office of Environmental Management not related to cleanup. The Office of Worker and Community Transition has been merged with the new office. The program direction amounts reflect the costs of these merged offices.

Program direction provides the Federal staffing resources and associated costs required to provide overall direction and execution of Office of Legacy Management functions. The staff of the Office of Legacy Management will all be Headquarters employees, but will primarily be located in Forrestal/Germantown, Grand Junction, Colorado, Morgantown, West Virginia, and Pittsburgh, Pennsylvania.

As stated in the Departmental Strategic Plan, DOE's Strategic and General Goals will be accomplished not only through the efforts of the major program offices in the Department but with additional effort from offices which support the programs in carrying out the mission. DOE's staff offices perform critical functions necessary for success in achieving the Department's goals which include, but are not limited to, managing information technology, ensuring sound legal advice and fiscal stewardship, developing and implementing uniform program policy and procedures, maintaining and supporting our work force, safeguarding our work spaces, and providing Congressional and public liaison.

Detailed Justification

(dollars in thousands)

	FY 2003	FY 2004	FY 2005
Salaries and Benefits.....	8,843	9,424	9,557

Staff is responsible for conducting surveillance and maintenance activities for a variety of DOE sites, many situated in remote locations. Although Legacy Management is a headquarters function, there are personnel stationed in Grand Junction, CO, (16 FTEs) and Morgantown, WV, and Pittsburgh, PA (33 FTEs). A major portion of the workload for the personnel in Grand Junction oversee the surveillance and maintenance of sites where remediation is complete. The personnel at Morgantown/Pittsburgh also assist in the surveillance and maintenance functions and are preparing to be the focal point of records management and pension and benefit continuity for the closure sites.

Staff will work to ensure that the required monitoring actions are performed to protect the environment and the public's health and safety. Further, in other program activities, they will: (1) ensure that pension and other post-retirement payments that honor the Department's commitments to former contractor personnel are made; (2) oversee actions to achieve approximately 3,000 to 5,000 prime contractor changes per year; (3) work to streamline the approval of work force restructuring plans and develop and implement policies to integrate contract reform mechanisms; (4) provide oversight of upcoming labor negotiations at four sites; and, (5) perform additional functions, such as maintaining records for FUSRAP considered sites, reviewing Departmental liability for CERCLA claims, and administering the environmental justice program within the Department.

During FY 2004 and FY 2005, the Asset Management Program staff will continue to assist in the transfer of unneeded materials at field sites throughout the complex, especially in the transfer of ozone depleting substances, and will represent the Department on the Market Impact Committee to retain critical and strategic materials needed for national security needs in the National Defense Stockpile.

The FTE's have not changed from prior years even though the Worker and Community Transition program has been significantly reduced. The personnel in the Legacy Management activities formerly utilized support personnel from the Office of Environmental Management for many administrative functions. These support functions are now being performed by personnel who previously were part of the independent Office of Worker and Community Transition, resulting in no change in the FTE's for the cumulative activities of the Office of Legacy Management.

(dollars in thousands)

FY 2003	FY 2004	FY 2005
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Travel..... 475 643 642

Travel will enable staff to conduct necessary surveillance and maintenance functions, oversight, individual and community assistance, and related activities.

Support Services..... 1,222 1,736 1,772

Support services will assist in the surveillance and maintenance activities, the logistics of payments to former contractor personnel, and in the preparation of both routine and extraordinary analyses and reports as needed.

Other Related Expenses..... 1,180 1,206 1,230

The amount in this category consists mainly of the working capital fund. Space rental, telephones, copiers and printing, computer support, general office supplies, and mailing costs are included in this fund. The working capital fund costs are proportionate to the number of employees. Other expenses are for items not encompassed by the working capital fund, e.g., computer software.

Total, Program Direction..... 11,720 13,009 13,201

Explanation of Funding Changes

	FY 2005 vs. FY 2004 (\$000)
Salaries and Benefits	+133
No significant change above normal cost of living increases for salary expenses.	
Travel	-1
No significant change.	
Support Services	+36
No significant change above normal inflation rates.	
Other Related Expenses	+24
No significant change above normal cost inflation.	
Total Funding Change, Program Direction	+192

Support Services by Category

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	\$ Change	% Change
Technical Support Services.....	0	0	0	0	0.0%
Management Support Services.....	834	1,285	1,312	27	2.1%
ADP Support.....	308	351	358	7	2.0%
Administrative Support Services.....	80	100	102	2	2.0%
Total, Support Services.....	1,222	1,736	1,772	36	2.1%

Other Related Expenses

(dollars in thousands)

	FY 2003	FY 2004	FY 2005	\$ Change	% Change
Working Capital Fund.....	1,040	1,055	1,080	25	2.4%
Other.....	140	151	150	-1	-0.7%
Total, Other Related Expenses.....	1,180	1,206	1,230	24	2.0%